

Date Mailed
September 30, 1999

BEFORE THE
PUBLIC SERVICE COMMISSION OF WISCONSIN

Application of Northern States Power Company (Wisconsin) for
Authority to Modify Rates for Retail Electric Service and Retail
Natural Gas Service in Wisconsin

4220-UR-110

**ORDER REOPENING PROCEEDING and
NOTICE OF HEARING**

Direct Testimony Due:	Friday, October 1, 1999 – Noon
Rebuttal Testimony Due:	Thursday, October 7, 1999 – Noon
Hearing Date:	Monday, October 11, 1999 – 1:30 p.m.
Hearing Location:	Public Service Commission, 610 North Whitney Way, Madison, WI(Amnicon Falls Hearing Room - 1st Floor)

On September 16, 1998, the Commission issued its Findings of Fact, Conclusions of Law and Order (the “Final Decision”), increasing electric rates and decreasing gas rates. The Final Decision estimated the utility's reasonable fuel cost for the test year plus the cost of purchased energy, wheeling and capacity and less the revenue from external sales of energy and capacity, at \$526,533,576 for 39,862,925 MWh (\$0.01321 per kWh). The Final Decision also called for fuel costs to be monitored and established allowable variance ranges, under Wis. Admin. Code § PSC 116.04, as follows:

1) for the annual range, plus or minus 2 percent; 2) for the monthly range, plus or minus 8 percent; and 3) for the cumulative range, plus or minus 8 percent for the first month of the test year, plus or minus 5 percent for the second month of the test year and plus or minus 2 percent for the remaining months of the test year. (see Appendix D).

On September 21, 1999, NSPW filed its Application to Increase Electric Rates for Fuel costs, alleging that the fuel costs had exceeded both the monthly and cumulative ranges. According to the company's calculations of fuel costs for the rest of the test year, the annual variance would be 14 percent above the estimated fuel cost per MWh included in the Final Decision order and in excess of the allowed annual range of 2 percent.

NSPW has properly invoked the provisions of Wis. Admin. Code § PSC 116.06, dealing with emergency and extraordinary increases in the cost of fuel. Therefore, the Commission

hereby reopens this proceeding under Wis. Stat. § 196.39, to consider the company's application for an increase in rates.

NOTICE IS GIVEN that a hearing on the application will be held beginning on Monday, October 11, 1999, at 1:30 p.m. in the Amnicon Falls Hearing Room at the Public Service Commission Building, 610 North Whitney Way, Madison, Wisconsin, and continuing at times to be set by the presiding Hearing Examiner. This building is accessible to people in wheelchairs through the Whitney Way first floor (lobby) entrance. Parking for people with disabilities is available on the south side of the building. Any person with a disability who needs additional accommodations should contact the case coordinator listed below. The utility is responsible for giving notice to its customers of the filing of its application and for producing proof of notice at the hearing.

The issue for hearing is limited to the extent to which the requested increase in fuel costs is justified under Wis. Adm. Code § 116.06 (1) based on the factors provided in Wis. Adm. Code § 116.04 (1)(b), as applicable.

The Commission does not discriminate on the basis of disability in the provision of programs, services, or employment. Any person with a disability who needs accommodations to participate in this proceeding or who needs to obtain this document in a different format should contact the case coordinator listed below.

Questions from the media may be directed to Jeffrey L. Butson, Public Affairs Director, at (608) 267-0912.

Questions regarding this matter may be directed to case coordinator Sharon Hennings at (608) 267-2160.

Dated at Madison, Wisconsin, _____

By the Commission:

Lynda L. Dorr
Secretary to the Commission

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